replantation/rejuvenation during the period would be 85,044 hectares comprising replanation in 68,154 hectares and rejuvenation in 16,890 hectares.

Similar schemes like that of Tea for other major plantation crops have already been announced in the Budget for 2007-08.

Losses due to tax incentives given to SEZs

†1680. SHRI AMIR ALAM KHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of tax concessions provided by Government in the Special Economic Zones and the export sectors;

(b) the extent of annual revenue loss being suffered by Government through these tax incentives;

(c) whether Government are aware of the possible misuse of the tax incentives of SEZ scheme by the companies;

(d) if so, the details thereof;

(e) whether Government propose to curtail the tax incentives and make the rules stringent;

(f) if so, the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) The Special Economic Zones (SEZ) and units set up there in are eligible for tax concessions as per the provisions of Section 26 of the SEZ Act, 2005 which besides income tax exemption to developer on his income for any 10 years out of first 15 years and to unit on export profits for a limited period include exemption from Central Excise and Customs duties and Service Tax, as the case may be, on all goods and services required for the authorized operations. The export sector in general is eligible for either exemption from input duties or refund of the same in the form of drawback, rebate of Duty Entitlement Passbook (DEPB) Scheme as

†Original notice of the question was received in Hindi.

provided in the Foreign Trade Policy besides direct tax exemptions to Export Oriented Undertakings (EOUs) and Software Technology Park (STD) and Electronic Hardware Technology Park (EHTP) Units.

(b) As per the rvenue froregone statement submitted by the Ministry of Finance along with the Finance Bill 2007, the revenue foregone under all export promotion schemes including SEZ, on account of direct tax concessions (provisional) for 2005-06 were Rs. 8658 Crores and Rs. 37590 Crores on account of indirect tax concessions.

(c) to (g) The SEZ Act, 2005 and the SEZ Rules , 2006 were prepared in consultation with all the stakeholders including the Department of Revenue and contain adequate provisions to prevent misuse of the tax concessions. Even after the operationalisation of the SEZ Act, 2005 from 10th February, 2006, the SEZ Rules were amended to provide further safeguards in this regard. The Finance Bill, 2007 also includes proposed amendements to Section 10AA of the Income Tax Act to prevent shifting of existing businesses from domestic tariff area to the SEZs. As the SEZ Act, 2005, was enacted only in June 2005 and has been operationalised only from 10th February, 2006, there is no proposal as at present to amend the provisions of the SEZ Act, 2005.

Amendment in bilateral trade agreeement between India and China

†1681. SHRI PYARELAL KHANDELWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Government of Sikkim wants amendments in the export-import list of bilateral trade between the India and Tibet (China);

(b) if so, the reaction of Government thereon;

(c) the details regarding the names and quantity of the commodities being exported/imported silk road between India and Tibet, and the details of profit enarned by both the countries separately; and

(d) the names of the commodities which the Government of Sikkim want to add in the existing export-import list?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE,

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